

THE BOTTOM LINE

Volume 10, Issue 3

Fall 2008

Dear Colleagues,

I hope everyone is enjoying the Fall semester. Classes are halfway through the term, the football team is approaching the end of their season while the basketball team is preparing to start. Homecoming and Family Weekend are behind us. The Board of Trustees had a full slate of meetings, and new construction projects are in full swing. The Strategic Planning process is preparing for the final lap, and a new budget process has been launched. And these are just a sampling of the events around campus. Life on a university campus is never boring!

While the financial markets have been volatile recently, FY08 was a positive year for the university. Total assets were more than \$2 billion at June 30, which included the endowment market value of approximately \$1.7 billion. The statement of activities reported an increase in net operating revenues of over \$7 million.

This newsletter includes a great deal of information and I hope you will find it helpful. Our next issue will be early in the spring semester. As always, please let us know how we can help you.

Jenni Sauer
Associate Vice President
and Controller
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THE NEWSLETTER STAFF

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UNIVERSITY OF RICHMOND
FOUNDED 1830

Did You Know.....

The University's current mileage reimbursement rate for business travel is .535 per mile. This rate is for students, faculty, staff and outside contractors.

In December new Banner Finance Classes will be offered by the Accounting and Budgeting offices. Please see the following Accounting article for more details.

Thanksgiving

ACCOUNTING

Accounting & Budget Class begins in December

Starting in December, the Accounting Office and Budgeting Office are teaming up to offer Banner Finance Classes. We plan to have a class at least once a month, except during July or August because of our year end responsibilities. If you are new to the University, or are hiring someone new, this would be an excellent class to take if you are or will be in charge of your department's monthly budget reports. If you are new to Banner, we ask that you take the Banner Navigation class with Kerri Chapman first, then take our class to help you understand your department's accounting and budgeting issues. Those who want a refresher on the basics are also welcome to attend. The class will be an introductory class on general accounting and budgeting concerns, with the possibility of more advanced classes offered later. These classes will be taught by Tammy Hicks, Director of Accounting and Susan Galvin, Director of Budgeting & Reporting. The class sizes will be kept small, 5-7 people per class, so participants will have plenty of time to ask all their questions and so personal attention can be given to the participant's individual needs. Topics covered by this class include, but are not limited to, the items below:

- Who do I contact to get a budget report?
- How do I read my budget report?
- How do I read my Banner screen?
- What's the difference between a budget entry and a journal entry?
- What's the difference between unrestricted and restricted funds and why does it matter?
- Do the funds in my indices roll to the new fiscal year or not?
- What's a FOAPAL?
- What's the difference between the general ledger and the operating ledger?
- How do I create a budget?
- How do I write up a journal voucher and who do I send it to?
- What fiscal year end responsibilities do I have?
- Who do I contact for help?

If you are interested in attending, please contact either Tammy Hicks, x8752, or Susan Galvin, x8537. We will add you to our list of class participants and form classes on a first come, first served basis.

GRANTS

New Grants Accounting Manager

On August 1, 2008, Robert Plymale was promoted to Grants Accounting Manager. Robert has been with the University of Richmond for 20 years and is a 2002 graduate of the University of Richmond's School of Continuing Studies. If you would like to stop by and say hello, Robert's office is located in Maryland Hall G-12A, the first door on the left once you have entered G-12. Robert's phone number is 289-8178 and his e-mail is rplymale@richmond.edu

Guidelines for Hiring Student Workers on Grants

Anytime you want to hire a student worker (a student worker is defined as a University of Richmond student enrolled in at least 6 credit hours, to work on a federal, state or private grant) and you are the P.I., you should fill out a job approval form and submit it to Robert Plymale in the Grants Office, G-12 Maryland Hall. The form needs to include the name of the student, start and end date of the work, the rate of pay, the index and account to be charged and number of hours you expect the student to work each week. Robert will determine if hiring a student worker is allowable on your grant and will make sure your grant has funds available to pay your student worker. If approved, Robert will sign the form and forward it to Sue Young in Student Employment so Sue can finish processing the request. If your student is a first-time student worker, they must go to the Student Employment Office and fill out all required paperwork. Sue will not process the request until all employment forms are completed.



ACCOUNTS PAYABLE

Contact Information

Departmental Phone Number: 289-8176

Departmental Fax Number: 287-6080

The Accounts Payable website has been updated with the contact information for the department. If you are not sure who handles what, please review our website before contacting anyone. We would like to assist you as quickly and efficiently as possible and the first step is to get you to the correct person within Accounts Payable.

Below is a list of the staff and our areas of responsibility:

Francheska Williams, fwillia2@richmond.edu (ext 8176). Francheska has the main phone number for the department and can answer general questions. You may also contact her for assistance or questions related to:

- Reimbursements for students, employees, and vendors.
- University travel card, which may be used by other departments on campus for travel reservations, i.e. airfare, AMTRAK, hotel, Groome Transportation, etc.
- Gift reporting information for employees and students.
- Request copy of a University W9 form.
- The new online Travel and Entertainment Expense Reimbursement System.

Crystal Amado Bowen, camado@richmond.edu (ext 6051). You may contact Crystal for assistance or questions related to:

- Reimbursement for students, employees and vendors.
- University travel card, which may be used by other departments on campus for travel reservations, i.e., airfare, AMTRAK, hotel, Groome Transportation, etc.
- Travel and cash advances.
- The new online Travel and Entertainment Expense Reimbursement System.

Jim Sager, jsager@richmond.edu (ext 8179). Jim may be contacted for assistance or questions related to:

- Payments to vendors. These payments are typically for goods or services (not reimbursements).
- Special "hold for pick-up" checks.

- Purchasing card statement audits or for copies of receipts/documentation.
- Adding indices to PaymentNet for purchasing card charges.

Linda Pembelton, lpembelt@richmond.edu (ext 8177). Linda may be contacted for assistance or questions related to:

- Payments to vendors. These payments are typically for goods or services (not reimbursements).
- Contact to find out if a check has cleared the bank, to request copies of canceled checks, or to place a stop payment on a check.
- Foreign wire payments.
- Request creation of a new vendor for travel reimbursements or vendor payments.

Lynn Gibbons, lgibbons@richmond.edu (ext 8180). Lynn is the supervisor for department. She may be contacted for assistance with:

- General questions about Accounts Payable and policies and procedures of the department.
- Questions that the AP staff were unable to answer.
- Relocation reimbursements.
- AAA or Sam's Club memberships.
- PaymentNet training or routine questions related to the Purchasing Card program.

Jean Hines, jhines@richmond.edu (ext 8181). As the Director of the department, Jean provides oversight of the Accounts Payable & Corporate Accounts Office, as well as the Purchasing Card program. Jean enforces University policies and procedures related to reimbursements, vendor payments, and corporate accounts (i.e. the purchasing card program, Sam's Club memberships, and AAA memberships).

Travel and Entertainment Expense Reimbursements

In September, the Accounts Payable Office introduced a new way to process reimbursements, the new Travel and Entertainment Expense Reimbursement System. Using, this system, employees are able to receive their reimbursements quicker than they would using the traditional travel reimbursement form.

A few things to remember when using the new system:

ACCOUNTS PAYABLE

continued

1. Although the data for your reimbursement is submitted to Accounts Payable electronically, we still cannot process your reimbursement until we have received your signed reimbursement form and original receipts.
2. Both the traveler and the approver must sign the request before it is sent to Accounts Payable for processing.
3. A correctly printed form will have a place for the traveler's signature and an approval signature. If your form does not have a place for signatures, you have not printed the form correctly. You must click on "submit" and "process". You will then receive a pop-up box that tells you how to print out your form.
4. If you need to make changes to a form you have already submitted, you can still access the form to make changes. You will get another email confirmation that your document has been submitted, but as long as the tracking number is the same, the reimbursement will not be duplicated.
5. If by accident you have created two different documents (two different tracking numbers) for the same reimbursement, you may go back into the duplicate document and select "delete this report" to delete it.
6. Please DO NOT reply back to the email confirmation you receive from the system. That email address is not monitored for questions. If you have a question about your confirmation, please contact Crystal Bowen (x6051) or Francheska Williams (x8176).
7. When keying a reimbursement, please make sure you key the first letter of your name with a capital letter. The system sorts the reimbursements in alphabetical order for Accounts Payable to process. If you do not start your last name with a capital letter, your name will not be in alphabetical order with the other reimbursements and it may be more difficult for us to locate it on the system when we receive your receipts.

New Check Request Form and Check Distribution Procedures

The Accounts Payable Office is audited by both internal and external auditors. One area that our auditors have determined needs to be addressed is the procedure of sending checks to the requesting department.

It is an internal control issue to send a check to a department instead of mailing it out to the vendor.

Therefore, to strengthen our internal controls, Accounts Payable will no longer send checks to requesting departments, except in limited circumstances. Those circumstances include contract agreements and performers.

In addition, for those "special" checks that we are able to return to the department, the check must now be picked up in the Accounts Payable Office and signed for. No checks will be sent to a department in campus mail.

Due to this change, we have designed a new check request form which no longer gives a "distribution" option. In addition, the new check request form gives more instructions about how to complete the form. The new form may be accessed at <http://controller.richmond.edu/forms/CheckRequest.pdf> Please start using this form immediately.

For checks which require supporting documentation be mailed with the check (for example, membership forms, registration fees, license agreements, etc.), departments should put the supporting documents in an envelope and attach it to the check request or invoice. Accounts Payable will then mail the check in the envelope with the supporting documents.

Holiday Check Run Schedule

The revised check run schedule for the holiday season is listed below. Please plan accordingly.

Thanksgiving

We will have only one check run the week of November 24th. Checks will be issued Tuesday morning, November 25th, for distribution that afternoon. If you must have a check by our November 25th check run, it is imperative that we receive your request by 5:00 Friday, November 21st. The request MUST be marked "RUSH" in order to ensure the check is issued on Tuesday.

Winter Break

We will have only one check run for the week of December 22nd. Due to the Winter Break, the Tuesday, December 23rd check run will be the last one for the calendar year. If you need an item paid before we leave for Winter Break, it is imperative that you have your request to us no later than Friday, December 5th and the item must be marked "RUSH".

We will resume our normal Tuesday/Thursday check run schedule on Tuesday, January 6th, 2009.

AAA Corporate Memberships

The University is now able to offer AAA corporate memberships to those staff members who travel

ACCOUNTS PAYABLE

Continued

frequently as part of their job. The application to request a AAA membership is available at <http://controller/forms/AAAMembershipForm.pdf>. Please contact Lynn Gibbons (lgibbons@richmond.edu) if you have questions.

Please note: *Not all employees will qualify for a corporate membership; only employees who travel frequently in the course of doing their job will qualify. Also, the University **does not** reimburse employees for AAA memberships. If your job qualifies you for this type of membership, then your membership must be purchased through the University's corporate program and Accounts Payable will pay AAA Mid-Atlantic directly.*

Sam's Club Corporate Membership

The Sam's Club corporate membership program is now being managed by the Accounts Payable and Corporate Accounts Office. Please send your receipts to Jean Hines in Accounts Payable as soon as possible after making your purchases. We have a very short window in which to get the invoice paid for the corporate account.

Please note that all receipts must be signed by the cardholder, the index/account code must be written on the receipt, and the "business purpose" must be written on the receipt, as well.

Purchasing Card Program

The Purchasing Card program is an integral part of the University and is doing very well. As you may know, the program has its own newsletter [The Card Connection](#). Please look out for a SpiderByte announcement for when the next [The Card Connection](#) newsletter, becomes available.

Did You Know:

- All reimbursements require an approval signature. Even if you're responsible for your own index or budget, you must still get another signature, in addition to your own, for your reimbursement requests. The approval signature may be your supervisor or department head, even if they are not responsible for the budget.
- Check requests are not needed if you are paying an invoice. Simply sign the invoice (giving your approval to pay), write the index and account to charge on the invoice, write the taxpayer or federal ID number on the

invoice, and send it to Accounts Payable for processing. Attaching a check request is unnecessary and wastes your paper and time.

- Documents sent to Accounts Payable should not be stapled; items should be paper clipped, instead. Accounts Payable scans all of their documents; therefore, all staples must be removed before the requests can be processed.

CASH MANAGEMENT

Payments received via Electronic Funds Transfer

Are you expecting payment from a state or federal agency or from someone who indicated they would "wire funds" or make payment via ACH?

OR

Does your Department invoice outside agencies/vendors (including State and Federal agencies) for goods or services provided? If so, please make note of the following:

Both the Commonwealth of Virginia and the Federal government now make payments to the University of Richmond almost exclusively via Electronic Funds Transfers. These include wire transfers and ACH payments. In addition, many businesses are now choosing to remit payments exclusively through the ACH (automated clearing house) processes.

These payments are automatically deposited into our main bank account at Bank of America. To insure that the correct department on campus gets credit for these deposits, we ask that you do the following:

1. Send a copy of the invoice to Val Cemprola, Cash Manager, at the time the invoice is prepared, via one of the following:
 - a. Campus Mail – 201D Maryland Hall
 - b. Fax – (804) 287-1222
 - c. E-Mail – vcemprol@richmond.edu
2. Indicate the index and account code where you wish to have the payment credited.

When payment is received, a journal entry will be made to credit your department with the payment. A copy of the invoice with the pertinent payment information noted will be sent to you upon request. The payment will be reflected on your monthly Banner printout.

CASH MANAGEMENT

continued

Thank you for following the above instructions. As more and more payments are received in this manner, having a copy of the invoice in advance will reduce the amount of detective work required to track down which department on campus is expecting these payments.

INTERNATIONAL TAXATION

Explanation of How and Why a Nonresident Alien's Scholarship Has Been Taxed

A scholarship is a payment made to, or for, the benefit of a student, either graduate or undergraduate, to aid the individual in his course of study. A qualified scholarship is the amount that covers the cost of tuition, health insurance and books. Reporting of this amount to the IRS is not required. A nonqualified scholarship is an amount that is issued to a student for any other purpose, including travel, room, board, research, etc. For NRA students in F-1, J-1, M-1, Q-1 or Q-2 visa status, the nonqualified scholarship amount is subject to Federal income tax withholding at the rate of 14%. (A tax treaty may apply.) All amounts paid to nonresident aliens in the form of scholarships, fellowships, grants, and financial aid, which are not excludible from gross income as a "qualified scholarship" under I.R.C. 117 must be reported to the IRS, regardless of the amount paid, unless the grant is from sources outside the United States.

On an NRA student's bill the 14% taxation is charged as "ITAX." This money is then paid to the IRS by the Office of International Taxation. The student will receive a Form 1042-S once the tax year has closed (usually in February of the following year) stating the amount of the full scholarship, the amount of the non-qualified scholarship and the amount of ITAX tax paid. The student uses this form to file a Form 1040NR-EZ with the IRS.

The ITAX is calculated on a per semester basis. Below is an example of how ITAX is calculated:

1. Total Scholarship: \$25,640.00
2. Cost of Book Allowance for Undergraduate Student: \$525.00
3. Cost of Health Insurance: \$594.00
4. Cost of Tuition: \$19,425.00
5. Total Qualified Scholarship: $525 + 594 + 19,425 = \$20,544.00$

6. Total Unqualified Scholarship: $25,640 - 20,544 = 5,096.00$
7. Formula: $5,096 \times .14 = \$713.44$
8. ITAX for one semester is \$713.44

(Note: Further details -- including the taxation of grants, travel, prizes and awards, etc. -- can be found at the OIT website: [http://controller.richmond.edu/tax/.](http://controller.richmond.edu/tax/))

PAYROLL

Review your W-4 and State Withholding Allowances

This is a good time of year to review the number of allowances that you are currently claiming on your federal W-4 form and your state withholding form. If you need to make a change to marital status and/or number of allowances you are claiming, you can download the appropriate forms from <http://controller.richmond.edu/payroll/forms.htm>. If you claimed "exempt" on your W-4 form for the tax year 2008, you must file a new form W-4 for tax year 2009 by February 15th. If Payroll does not receive a new tax form from you by the deadline, we are required to change your withholding allowances to the default status of single with 1 allowance.

Direct Deposit

We encourage all employees to take advantage of direct deposit you will not have to worry about waiting on the mail or making a special mailing request to Payroll during this holiday season. The direct deposit authorization is available for download from our webpage http://controller.richmond.edu/forms/DirectDeposit_FS.pdf

Holiday Check Information

The holidays bring questions regarding changes to deadlines and the distribution of checks for staff as well as student employees. Please take note of the following:

Winter Holiday Break:

Students—

Pay period ending **December 12th**-- BannerWeb Timesheets for this pay period are due on the normally scheduled day, Monday, December 15th at 10 a.m. However, students and student supervisors are encouraged to submit BannerWeb timesheets as soon as the student has finished working before the coming winter break.

PAYROLL

continued

Pay period ending **December 26th** -- Payroll is requiring that these BannerWeb timesheets be submitted in advance of the end of the pay period. These timesheets must be submitted not later than noon on Thursday, December 18th. If a student is working between December 19th and December 27th, the student will need to enter his scheduled hours for that time frame and submit. If adjustments need to be made, they can be handled on the next payroll. Any adjustments will need to be sent to Payroll by the student's approver.

Distribution of Student Checks during Winter Break --

Checks dated Friday, **December 19th**, will automatically be sent to the student's permanent address unless the student contacts the Payroll Office to make other arrangements. Students who participate in direct deposit will receive an email notice when the pay stub information is available on BannerWeb. We encourage all students to take advantage of direct deposit, thus the student will not have to worry about waiting on the mail or informing Payroll of a different mailing address. A direct deposit authorization form with an attached voided check must be submitted to Payroll by December 11th in order to have the first direct deposit occur on December 19th.

Hourly Staff

The Payroll Office will be asking staff to submit timesheets in advance due to the winter break holidays. Timesheets for the pay period of December 7th – December 20th must be submitted in advance by noon on Wednesday, December 18th. As always, employees who use the Kronos time punch system are not affected by this request. Facilities, Police Department, and Dining Services should check with their departments regarding paycheck pickup. For all other hourly staff, checks will be sent via campus mail on Tuesday morning, December 23rd unless the Payroll Office receives a written request to mail the check to another address. The request must be received no later than Friday, December 19th. If you do not participate in direct deposit currently, you may wish to consider direct deposit as an option that ensures your check is received in your account without delays caused by holidays and mail.

Monthly Paid Employees:

All check requests to pay Monthly employees for services must be received by the Payroll Office by Thursday, December 11th.

New Years Day:

Monthly Paid Employees: We must date the first monthly check of 2009 with a 2009 date for W-2 purposes; therefore, even though January 1st is a bank holiday, we will not date the checks for the preceding Friday. The first monthly check of the year will be dated and effective on Friday, January 2nd. Direct Deposits also are effective on the January 2nd date. Checks will be sent out from the Payroll Office on the morning of Monday, January 5th.

STUDENT ACCOUNTS

Welcome

The Bursar's Office would like to welcome Jayne Rich (Senior Cashier), the newest addition to the Cashier's Office and Suzanne Bird (Student Accounts/Perkins Specialist), the newest addition to the Student Accounts Office. Jayne and Suzanne joined our office in September. Please join us in extending a warm welcome to Jayne & Suzanne!

Cashier's Office

The holidays are fast approaching. The Cashier's office will be closed for the Thanksgiving Holiday on Wednesday, November 26th, Thursday, November 27th and Friday, November 28th. For the Winter Break we will be closed from Wednesday, December 24th thru Friday, January 2nd. We will reopen on Monday, January 5th. Please note these dates. We will be happy to accommodate any requests for extra change due to these closures.

Petty Cash

Please remember that all petty cash receipts must be taped to a separate 8 1/2X11 sheet of paper. The receipts should include the detail of what was purchased. When using petty cash for a restaurant, we would need the receipt that shows what was ordered.

Petty cash may not be used for the following:

- 1) Receipts over 30 days old
- 2) ATM fees
- 3) Mileage and gas receipts
- 4) Cash Advance fees
- 5) Gift Cards/Certificates

As always, if you have any questions about what petty cash can and can't be used for please call the Cashier's office at X8769.